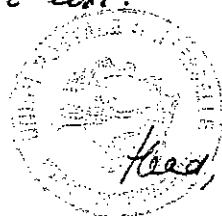


Universal Postal Union

Postal Payment Services Agreement

Attestation

The English Translation Service operating in connection with the International Bureau of the Universal Postal Union hereby certifies that the English translation of the Postal Payment Services Agreement of the Universal Postal Union (Beijing 1999) is an accurate rendering of the French original which is deemed the authentic text.



G. S. S. S.

Head, English Translation Service

Postal Payment Services Agreement

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Postal Payment Services Agreement

The undersigned, plenipotentiaries of the Governments of the member countries of the Union, having regard to article 22, paragraph 4, of the Constitution of the Universal Postal Union concluded at Vienna on 10 July 1964, have, by common consent and subject to article 25, paragraph 4, of the Constitution, drawn up the following Agreement.

Chapter I

Preliminary provisions

Article 1

Purpose of the Agreement

1 This Agreement shall govern all the services for the transfer of postal funds. The contracting countries shall mutually agree on the products in the present Agreement which they intend to introduce in their reciprocal relations.

2 Non-postal organizations may participate through the postal administration, the giro service or an institution operating a postal funds transfer network in the exchanges governed by the provisions of this Agreement. Such organizations shall come to an agreement with the postal administration of their country to ensure full implementation of all clauses of the Agreement and under such agreement shall exercise rights and perform duties as postal organizations defined by this Agreement. The postal administration shall act as their intermediary in their relations with the postal administrations of the other contracting countries and with the International Bureau.

Article 2

Products that may be provided

1 Money order

1.1 The sender hands over funds at a post office counter or orders his postal giro account to be debited and requests outpayment of the amount to the payee in cash.

1.2 The sender hands over funds at a post office counter and requests that they be paid into the payee's giro account or into other types of account operated by administrations.

2 Transfer

2.1 The holder of a giro account asks for an amount to be debited to his account and credited to the payee's giro account, to other types of account operated by administrations or to the payee's current bank account, through the administration of destination.

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- 3 Postcheque
 - 3.1 The postcheque is an international instrument issued to holders of giro accounts and payable on sight in the post offices of countries participating in the service.
 - 3.2 A postcheque may also be given as payment to third parties where there is agreement to that effect between the contracting administrations.
- 4 Withdrawal through the POSTNET network of cash dispensers
 - 4.1 Financial institutions, whether postal or not, which have acceded by agreement to the POSTNET network may offer holders of their cards the possibility of withdrawing cash from POSTNET network cash dispensers.
- 5 Other services
 - 5.1 Postal administrations may agree in their bilateral or multilateral relations to establish other services the conditions of which shall be defined amongst the administrations concerned.

Chapter II

Depositing of orders

Article 3

Issue of instruments and acceptance of payment orders (currency, conversion, amount)

- 1 In the absence of a special agreement, the amount of the instruments and orders shall be expressed in the currency of the paying country.
- 2 The issuing administration shall fix the conversion rate of its currency into that of the paying country.
- 3 The amount of the transfers of funds shall be unlimited, unless the administrations concerned decide otherwise.
- 4 The issuing administration shall be entirely free to specify the documents and methods of depositing instruments and payment orders, except when they are to be transferred by post. In that case, only the forms provided for in the Regulations shall be used.
- 5 Instruments and payment orders to be transmitted by telecommunication shall be subject to the provisions of the International Telecommunication Regulations.

Article 4

Charges

- 1 The issuing administration shall freely decide the charge to be collected at the time of issue. To this principal charge, it shall add any charges pertaining to special services rendered to the sender.
- 2 The issuing administration may, in agreement with the paying administration, collect from the sender at the latter's request the charges pertaining to special services rendered to the payee. The amount of these charges shall be paid to the paying administration.

3 Transfers of funds exchanged between a contracting country and a non-contracting country, through the intermediary of a country party to this Agreement, may be subjected by the intermediary administration to an additional charge determined by the latter on the basis of the costs generated by the operations it carries out; the amount of this charge shall be agreed between the administration concerned and deducted from the amount of the instrument. However, this charge may be collected from the sender and allocated to the administration of the intermediary country if the administrations concerned have so agreed.

4 In cases where duplicate money orders are required under the provisions of the Regulations, and if no service error was committed, a charge under this head, set by the administration to which the request was made, may be collected from either the sender or the payee, except if the charge has already been collected in respect of the advice of payment.

5 Documents, instruments and payment orders pertaining to transfers of postal funds exchanged between administrations by post under the terms of articles 8.2 and 8.3.1 to 8.3.3 of the Convention shall be exempt from all charges.

Chapter III

Transmission of orders

Article 5

Means of exchange

1 Exchange by post shall be carried out by means of the forms provided for in the Regulations, direct between issuing office and paying office or through the intermediary of offices of exchange.

2 Exchange by telecommunication shall be carried out by dispatch sent direct to the paying office or to an office of exchange, provided that all measures necessary for the security of the exchanges are observed by agreement between the administrations concerned.

3 The transfers of funds may be submitted to the **paying country** on magnetic tape or any other medium agreed between the administrations. **Paying administrations** shall then be free to choose what forms are to be used as the medium for the sums to be paid to the payees in cash.

4 All transfers of funds may be made through the intermediary of electronic networks on the basis of special agreements adopted by the administrations concerned.

5 Administrations may agree to use means of exchange other than those provided for in article 5.1 to 4.

Chapter IV

Treatment in the paying country and inquiries

Article 6 Payment

- 1 In principle, the whole amount of the money order shall be paid to the payee; optional charges may be collected if the latter requests supplementary special services.
- 2 The validity of money orders shall extend:
 - 2.1 as a general rule, until expiry of the first month following that of issue;
 - 2.2 upon agreement between the administrations concerned, until expiry of the third month following that of issue.
- 3 After that period, money orders sent to the paying offices shall be paid only if they bear an authorization to extend the period of validity (visa pour date) given at the request of the paying office by the service designated by the issuing administration. Authorization to extend the period of validity shall confer upon money orders a new validity running from the day it is granted for the same duration as that which a money order issued on the same day would have. Money orders sent to **paying administrations**, in accordance with article 5.3, may not have their period of validity extended.
- 4 Unless non-payment before expiry of validity is due to a service error, an "authorization to extend the period of validity" charge, which will be set by the paying administration, may be collected.
- 5 Money orders shall be paid according to the regulations of the paying country.

Article 7 Inquiries

- 1 The provisions of article 30 of the Convention shall apply.

Article 8 Liability

- 1 Principle and extent of liability
 - 1.1 Postal administrations shall be liable for the sums paid in at the counter or debited against the payer's account until such time as the money order has been duly paid or the payee's account has been credited.
 - 1.2 Administrations shall be liable for erroneous information which they have supplied and which has caused either non-payment or errors in execution of the transfer of funds. Liability shall extend to errors of conversion and transmission errors.
 - 1.3 Postal administrations shall be relieved of all liability:
 - 1.3.1 for delays that may occur in the transmission, dispatch and payment of instruments and orders;
 - 1.3.2 when, owing to the destruction of official records by force majeure, they cannot account for the execution of a transfer of funds, unless proof of their liability is otherwise produced;

- 1.3.3 when the payer has made no claim within the period prescribed in article 30.1 of the Convention;
- 1.3.4 when the prescription period for money orders in the issuing country has expired.
- 1.4 In the case of a refund, regardless of the reason for it, the amount refunded to the sender may not exceed the amount that he paid in or that was debited against his account.
- 1.5 Administrations may also agree among themselves to apply broader conditions of liability suited to the requirements of their internal services.
- 1.6 The conditions for applying the principle of liability and, in particular, questions of the determination of liability, refund of amounts owing, recourse, time allowed for payment and reimbursement of the administration that paid the indemnity shall be those laid down in **the Regulations**.

Chapter V

Accounts, liaison accounts

Article 9

Remuneration of the paying administration

- 1 For each money order paid, the issuing administration shall allocate to the paying administration a remuneration the rate of which shall be fixed in the Regulations on the basis of the average amount of the money orders included in one and the same monthly **account**.
- 2 Instead of the rates set out in article 9.1, administrations may agree on different remuneration rates or set a standard remuneration for each payment made.
- 3 For each transfer, the **administration of destination** may request payment of an arrival charge. This charge may be either debited to the payee's account or taken care of by the issuing administration by debiting its liaison account.
- 4 Transfers of funds made free of charge shall give rise to no remuneration.
- 5 Where the administrations concerned agree, transfers of aid funds exempted from charges by the issuing administration may be exempted from remuneration.

Article 10

Financial relations between participating administrations

- 1 Administrations shall agree with one another on the technical methods to be used for settling their debts.
- 2 Liaison giro accounts
 - 2.1 Where administrations have a giro system, each shall cause to be opened in its name with the corresponding administration a liaison giro account by means of which shall be settled mutual debts and claims resulting from exchanges made through the giro service and possibly money orders and any other operations that the administrations may agree to settle by this means.
 - 2.2 Where the **paying administration does** not have a giro system, the liaison giro account may be opened with another financial institution.

- 2.3 If the liaison account is overdrawn, interest, the rate of which is set in the Regulations, shall be payable on the amounts owing.
- 3 Monthly accounts
 - 3.1 Each paying administration shall prepare for each issuing administration a monthly account showing the sums paid for money orders. The monthly accounts shall be incorporated, periodically, in a general offset account giving rise to the determination of a balance.
 - 3.2 The settlement of accounts may also be made on the basis of monthly accounts, without offsetting.
- 4 No unilateral measure, such as a moratorium, prohibition of transfer, etc, may impinge upon the provisions of this article and those of the Regulations stemming therefrom.

Chapter VI

Postcheques

Article 11

Operation of postcheques

- 1 Issue of postcheques
 - 1.1 Each administration may issue postcheques to holders of giro accounts.
 - 1.2 Holders of giro accounts to whom postcheques have been issued shall also be furnished with a postcheque guarantee card which must be produced at the time of payment.
 - 1.3 The maximum amount guaranteed shall be printed on the back of each postcheque or in an annex in the currency agreed between the contracting countries.
 - 1.4 In the absence of a specific agreement with the paying administration the issuing administration shall fix the conversion rate of its currency into that of the paying country.
 - 1.5 The issuing administration may collect a charge from the payer of a postcheque.
 - 1.6 If need be, the duration of validity of postcheques shall be fixed by the issuing administration. It shall be shown on the postcheque by printing the last date of validity. In the absence of such indication, the validity of postcheques shall be unlimited.
- 2 Payment
 - 2.1 The amount of postcheques shall be paid to the payee in legal currency of the paying country.
 - 2.2 The maximum amount which may be paid by means of a postcheque shall be fixed by common agreement among the contracting countries.
- 3 Liability
 - 3.1 The paying administration shall be relieved of all liability when it can prove that payment was made under the conditions prescribed in the relevant articles of **the Regulations** relating to the presentation of postcheques at the counter for payment and the conditions of payment.

- 3.2 The issuing administration shall not be bound to honour fraudulent or counterfeit postcheques returned to it after the period provided for in the relevant article of **the Regulations** relating to the return of paid postcheques to the giro service of origin.
- 4 Remuneration of the paying administration
- 4.1 The administrations which issue and pay postcheques shall fix bilaterally the amount of the remuneration which shall be allocated to the paying administration.

Chapter VII

The POSTNET network

Article 12

Conditions of accession and participation

- 1 Accession to the network shall be subject to signature of the POSTNET agreement and the payment of an entry fee.
- 2 The conditions of accession to and participation in the service shall be defined in the POSTNET agreement.

Chapter VIII

Cash-on-delivery (COD) items

Article 13

Definition of the service

- 1 **Unregistered, registered and insured** letter-post items and **ordinary and insured** postal parcels may be sent cash-on-delivery on the basis of bilateral agreements.
- 2 The body which has delivered the item shall remit the funds to the postal financial institution and request that payment of the amount be made to the payee.

Chapter IX

Miscellaneous provisions

Article 14

Application to open a giro account abroad

- 1 Where a giro account is opened abroad, postal or non-postal financial institutions of **the countries party to this Agreement** shall, as part of the usual verification of the applicant, agree bilaterally on the assistance they can provide each other.

Chapter X

Final provisions

Article 15

Final provisions

- 1 The Convention shall be applicable, where appropriate, by analogy, in all cases not expressly governed by this Agreement.
- 2 Article 4 of the Constitution shall not apply to this Agreement.
- 3 Conditions for approval of proposals concerning this Agreement.
 - 3.1 To become effective, proposals submitted to Congress relating to this Agreement must be approved by a majority of the member countries present and voting, which are parties to the Agreement. At least half of these member countries represented at Congress shall be present at the time of voting.
 - 3.2 To become effective, proposals relating to the Regulations of this Agreement shall be approved by a majority of the members of the Postal Operations Council which are parties to the Agreement.
 - 3.3 To become effective, proposals introduced between two Congresses relating to this Agreement must obtain:
 - 3.3.1 two thirds of the votes, at least one half of the member countries party to the Agreement having replied to the consultation, if they involve the addition of new provisions;
 - 3.3.2 a majority of the votes, at least one half of the member countries party to the Agreement having replied to the consultation, if they involve amendments to provisions of this Agreement;
 - 3.3.3 a majority of the votes, if they involve interpretation of the provisions of this Agreement.
 - 3.4 Notwithstanding the provisions under 15.3.3.1, any member country whose national legislation is as yet incompatible with the proposed addition may, within 90 days from the date of notification of the latter, make a written declaration to the Director-General of the International Bureau stating that it is unable to accept the addition.
- 4 This Agreement shall come into force on **1 January 2001** and shall remain in operation until the entry into force of the Acts of the next Congress.

In witness whereof, the plenipotentiaries of the governments of the contracting countries have signed this Agreement in a single original which shall be deposited with the Director-General of the International Bureau. A copy thereof shall be delivered to each party by the Government of the country in which Congress is held.

Done at **Beijing, 15 September 1999**